

APPENDIX N

SUMMARY OF RECOMMENDATIONS

Rec No.	Description	Page No.	OPR	OCR	Action Step Deadlines		
					Tasking Date	Interim Milestone	Implement/Complete Date
IV-1	Issue policy on establishing tenant purchase card accounts to preclude cross-disbursements.	8	USD(C) DUSD(AR)	DoD Components	8/18/97	9/3/97	10/29/97
IV-2	Include the government's tax exemption number on each purchase card.	8	USD(C)	GSA DoD Components	8/18/97	11/17/97	As cards are reissued
IV-3	DLA will pursue capturing information from DMDC download.	9	USD(C)	DMDC DLA	8/18/97	1/2/98	5/4/98
IV-4.A	Require use of "remote access" (modem transmission) for cardholder setup and account maintenance.	10	DUSD(AR)	DoD Components	8/18/97	9/1/97	10/30/97
IV-4.B	Mandate that the local APC and servicing RMO jointly coordinate cardholder purchase limits.	10	USD(C) DUSD(AR)	DoD Components	8/18/97		10/1/97
IV-5.A	Direct the Defense Career Contract Management Board to develop and maintain core competencies for cardholder training.	11	DDP	DAU	8/18/97		10/30/97
IV-5.B	Direct DAU to develop uniform training materials based on core competencies.	11	DUSD(AR)	DAU	8/29/97	10/30/97	1/15/98
IV-6.A	Direct DAU to design a purchase card "sleeve" and wallet card printed with cardholder instructions.	11	DUSD(AR)	DAU	8/29/97		10/30/97
IV-6.B	Arrange with GSA for production and distribution of card sleeves or wallet reminders or inserts to monthly statements.	11	USD(C)	GSA DoD Components	9/30/97		11/30/97
IV-7	Mandate the use of an advance reservation of funds (bulk funding). Coordinate bulk funding and cardholder limits.	13	USD(C)	DoD Components	9/5/97		10/20/97
IV-8	Initiate a DFARS case to eliminate formal prepurchase documentation and approval requirements placed on the cardholder.	15	DDP	DoD Components			12/5/97
IV-9.A	Issue a class waiver to deviate from the FAR priority to obtain commercial supplies, valued within the micro-purchase threshold, from local inventories.	16	DUSD(L)	DoD Components			9/18/97
IV-9.B	Prepare a case to initiate a change to the FAR, removing the priority to obtain commercial supplies valued within the micro-purchase threshold from local inventories.	16	DUSD(L)	ARSSG			10/1/97
IV-10.A	Direct Components to provide an automated screening capability to cardholders for NIB/NISH and FPI items.	17	DUSD(AR)	DoD Components ARSSG			10/20/97
IV-10.B	Request determination of a threshold under which NIB, NISH, FPI and GPO are not applicable as mandatory sources.	17	DUSD(AR)	ARSSG			11/18/97
IV-11.A	Waive on a class basis the FAR priority to obtain commercial supplies valued within the micro-purchase threshold from wholesale supply sources.	19	DUSD(L)	DoD Components			10/20/97

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IV-11.B	Prepare a DFARS case that eliminates the requirement that micro-purchases of commercial items, assigned for IMM, be acquired from the IMM manager.	19	DUSD(L)	DUSD(L) ARSSG			10/1/97
IV-12.A	Clarify that DoD Components may purchase HAZMAT and sensitive items with the card given appropriate screening.	19	DUSD(L) ARSSG	DoD Components	10/20/97		11/20/97
IV-12.B	Direct that IM offices publish lists of compatible FIP resources authorized for cardholder use without additional IM pre-approvals.	19	ASD(C3I)	DoD Components	8/18/97		10/20/97
IV-12.C	Mandate the cessation of screening for accountable property and require that cardholders receive germane training on accountable property.	19	DUSD(L)	DoD Components	9/19/97		11/19/97
IV-13	Establish DoD-wide core standards and policies for purchase card account reconciliation; eliminate multiple layers of review; implementation; redefine AOs, APC, and RMO (or equivalent) roles; and specify minimum documentation and retention.	25	USD(C) DUSD(AR)	DoD Components ARSSG	8/20/97		11/20/97
IV-14	Request RMBCS to transmit weekly (flat file) downloads of all DoD transactions to DMDC for processing. DMDC to provide user access to reports.	26	USD(C)	DMDC DISA RMBCS GSA	8/20/97	9/12/97	10/20/97
IV-15	Request DMDC to translate downloaded data into a user-friendly format accessible to authorized users. End users without connectivity may obtain reports by other means.	26	USD(C)	DoD Components DMDC RMBCS	8/29/97	12/30/97	1/2/98
IV-16	Require Components to adopt, on an interim basis, an existing automated purchase card reconciliation system in coordination with DMDC and DFAS. Moratorium on new systems.	26	ASD(C3I)	USD(A&T) USD(C) DoD Components DFAS	10/17/97		1/20/98
IV-17	Direct the formation of a DoD interdisciplinary task group to develop or select a standard purchase card management and reconciliation system. Task group to examine system features.	26	ASD(C3I)	USD(A&T) USD(C) DoD Components DFAS DMDC	8/18/97	9/19/97 10/29/97 10/20/97 11/20/97 12/22/97 3/20/98 4/20/98 6/22/98	7/23/99
IV-18	Maximize electronic receipt of the R063 invoice.	27	USD(C)	DoD Components	9/2/97	10/15/97	1/30/98
IV-19	Delegate invoice certification authority to the billing office.	28	USD(C)	DoD Components DFAS	9/2/97	9/2/97 11/3/97 1/15/98 2/17/98	3/16/98
IV-20.A&B	Direct the use of summary-level financial information in cases where there is no compelling argument to collect more detailed accounting data.	30	USD(C)	DFAS DoD Components	9/5/97	9/25/97 10/15/97	12/5/97
IV-20.C	Develop interfaces between the automated reconciliation system(s) and the supporting accounting system(s).	30	USD(C)	ASD(C3I) DFAS	9/2/97		8/30/99
IV-21	Mandate summarized accounting data. Recommendation incorporated into IV-20A&B.	30					
IV-22	Adopt a single object class and develop an object class statistical sampling methodology. Recommendation withdrawn.	30					

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IV-23.A	Mandate accelerated invoice reconciliation process. Recommendation incorporated into IV-19.	33					
IV-23.B	Initiate a delayed dispute process for purchase card transactions.	33	USD(C)	DoD Components	8/20/97		10/29/97
IV-23.C	Mandate standard invoice disbursement procedures to include payment via EFT.	33	USD(C)	DFAS DoD Components	8/29/97	9/15/97	11/3/97
IV-24	Task and fund DMDC to process and distribute RMBCS data against a knowledge-based protocol to assist in detecting card misuse.	34	USD(C)	ODoDIG/QMD DMDC DFAS	8/20/97	11/10/97 12/10/97	3/10/98
IV-25	Develop a standardized methodology to evaluate purchase card usage and provide sampling techniques that follow transactions through to end-users.	34	USD(C)	ODoDIG/QMD DMDC DoD Components	9/2/97	10/2/97 9/22/97	10/22/97
IV-26	Locally implement sufficient, non-impeding, and adaptive controls to assure that purchase card misuse and fraud is minimized.	34	USD(C)	DoD Components	9/15/97		11/10/97
IV-27	Include reviews of purchase card transactions in each activity's management control process.	35	DUSD(L)	ARSSG			8/18/97
IV-28	Require that functional managers be given read-only access to surveillance reports and data generated by the automated systems supporting the purchase card program.	35	DUSD(AR)	ARSSG			9/2/97
IV-29	Direct organizations to revise internal procedures to widely adopt the new property accountability threshold.	35					5-28-96
V-1	Identify as an alternative "best practice" in the "Desk Book" the use of agreements for vendor pre-acceptance of clauses and provisions for procurements above the micro-purchase threshold through \$25,000.	38	DUSD(AR)				10/1/97
V-2	Maximize EC/EDI and EFT for payment in contract and contract payment process. Limit use of the card as order/payment method.	41	USD(C)	DoD Components ARSSG	9/2/97		11/3/97
VI-1.A	Mandate that DoD activities with sales of goods and services to other agencies accept purchase cards for payment (optional for ISSAs).	45	USD(C)	DDP DoD Components DFAS Treasury	8/25/97		10/24/97
VI-1.B	Work with the Treasury Department to extend the termination date for use of the PCCN.	45	USD(C)	Treasury	9/2/97	10/2/97	11/3/97
VI-1.C	Work with the GSA to modify the RMBCS contract to (1) provide "acquirer bank" services and (2) remove dollar limits on inter- and intradepartmental purchases/ sales.	45	USD(C)	GSA DFAS RMBCS	8/30/97	9/30/97	10/31/97
VI-2	Coordinate with the card "acquirer bank" and DFAS to implement procedures for acceptance and processing of purchase card collection transactions. (Draft recommendation incorporated into Recommendation VI-1.A.)	45					
VII-1	Perform a study one year after fielding the automated reconciliation system and implementing other recommendations to determine efficacy of increasing micro-purchase threshold.	46	DUSD(AR) OSADBU	ARSSG	8/30/97		10/15/97

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VII-2.A	Micro-purchase authority for commercial items will be delegated to end-user organizations.	47	DUSD(AR)	ARSSG			8/30/97
VII-2.B	Propose legislation for purchase card use in contingency operations up to simplified acquisition threshold.	47	DUSD(AR)	ARSSG			8/30/97
VII-3.A	Incorporate into a training module solutions to increase vendor acceptance of the purchase card.	48	DUSD (AR)	DAU			8/30/97
VII-3.B	Offer information to educate local businesses on benefits of purchase card use.	48	DUSD (AR)	ARCC			8/18/97
VII-4	Communicate to GSA the Department's requirements for the succeeding purchase card contract.	48	USD(C)	USD(A&T) ASD(C3I) GSA			9/2/97
VII-5	Establish pilot programs for the use of VISA and FedSelect checks.	49	USD(C)	GSA DFAS WHS	10/30/97		11/30/97
VII-6	Direct DoD Components to develop viable goals for micro-purchases made using the purchase card.	50	DUSD(AR)	DoD Components ARSSG	8/20/97		9/22/97
VII-7	DoD Component Heads shall emphasize the benefits of the purchase card program, encourage coverage at schools and conferences, and develop "road shows" to promote use.	50	DUSD(AR)	DoD Components ARSSG ASD(PA)	8/18/97		9/22/97
VII-8	Encourage DoD Components to develop stories on the advantages and success of the purchase card.	51	DUSD(AR)	DoD Components ARSSG ASD(PA)	8/18/97		9/22/97
VII-9	Encourage local purchase card coordinators to utilize commanders' calls to promote the purchase card program.	51	DUSD(AR)	DoD Components ARSSG ASD(PA)	8/18/97		9/22/97
VII-10	Establish a Purchase Card oversight office to provide project management, monitoring and oversight of implementation of the recommendations in this report.	51	USD(C)	DoD Components USD(A&T)	10/1/97		12/1/97